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312 Rosa L. Parks Avenue, 8th Floor Tennessee Tower

Nashville, TN 37243 Phone: 615-741-2650 Fax: 615-741-5133

Email: sos.information@state.tn.us

### For Department of State Use Only

Sequence Number: 12-21-08

Rule ID(s): 3941

File Date: <u>12/30/2008</u>

Effective Date: 03/15/2009

## Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing. TCA Section 4-5-205

| Agency/Board/Commission: | Tennessee Department of Human Services   |
|--------------------------|--|
| Division:                | Family Assistance  |
| Contact Person:          | Phyllis Simpson  |
| Address:                 | Office of General Counsel<br>Citizens Plaza Building, 10 <sup>th</sup> Floor<br>400 Deaderick Street<br>Nashville, Tennessee |
| Zip:                     | 37243-1403   |
| Phone:                   | 615-313-4731   |
| Email:                   | phyllis.simpson@state.tn.us  |

#### Revision Type (check all that apply):

| Χ | Amendment |
|---|-----------|
|   |           |

\_\_\_ New

Repeal

### Rule(s) Revised (ALL chapters and rules contained in filing must be listed here.)

| Chapter Number | Chapter Title                               |
|----------------|---|
| 1240-01-02     | Family Assistance Unit - Food Stamp Program |
| Rule Number    | Rule Title                                  |
| 1240-01-0202   | Household Concept – Food Stamps Only        |

| Chapter Number | Chapter Title                      |
|----------------|------------------------------------|
| 1240-01-04     | Financial Eligibility Requirements |
| Rule Number    | Rule Title                         |
| 1240-01-0427   | Standards of Need/Income           |

#### Chapter 1240-01-02 Family Assistance Unit Food Stamp Program

#### Amendments

Rule 1240-01-02-.02 Household Concept – Food Stamps Only, is amended by deleting Part 5 under Subparagraph (a) Paragraph (1), and by substituting the following language, so that, as amended, Part 5 Paragraph (1), Subparagraph (a) shall read as follows:

5. An individual who is sixty (60) years of age or older (and the spouse of such individual) who lives with others and who is unable to purchase and prepare meals separately because he/she suffers from a disability considered permanent under the Social Security Act or some other non-disease-related severe permanent disability. In order for this individual and spouse to be eligible for separate household status, the combined gross income of all others with whom the individual resides (excluding the individual and his/her spouse's income) cannot exceed one hundred sixty-five percent (165%) of the poverty level as shown in the Table below:

| No. of Persons in Household | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 165% of<br>Poverty          | \$1430 | \$1925 | \$2420 | \$2915 | \$3410 | \$3905 | \$4400 | \$4895 | \$5390 | \$5885 |

For each additional member add \$495

Authority: T.C.A. §§ 4-5-201 et seq.; T.C.A. § 4-5-202; T.C.A. §§ 71-1-105 and 71-5-304; 7 U.S.C.A. § 2014; and 7 C.F.R. §§ 273.1, 273.1(b)(2), 273.9, and 273.10.

# Chapter 1240-01-04 Financial Eligibility Requirements

#### Amendments

Rule 1240-01-04-.27 Standards of Need/Income, is amended by deleting Table I under Paragraph (1) Subparagraph (a) Part 2 in its entirety, and by inserting a new Table I, so that, as amended, Table I shall read as follows:

Table I

| No. of<br>Persons in<br>Household | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Gross<br>Income<br>Standard       | \$1127 | \$1517 | \$1907 | \$2297 | \$2687 | \$3077 | \$3467 | \$3857 | \$4247 | \$4637 |

For each additional member add \$390

Rule 1240-01-04-.27 Standards of Need/Income, is amended by deleting Table II under Paragraph (1) Subparagraph (b) Part 2 in its entirety, and by inserting a new Table II, so that, as amended, Table II shall read as follows:

Table II

| No. of     | 1     | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     |
|------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Persons in |       |        |        |        |        |        |        |        |        |        |
| Household  |       |        |        |        |        |        |        |        |        |        |
| Maximum    | \$867 | \$1167 | \$1467 | \$1767 | \$2067 | \$2367 | \$2667 | \$2967 | \$3267 | \$3567 |
| Net        |       |        |        |        |        |        |        |        |        |        |
| Income     |       |        |        |        |        |        |        |        |        |        |

For each additional member add \$300

Rule 1240-01-04-.27 Standards of Need/Income, is amended by deleting Subparagraph (c), Parts 1 through 2 and Table III under Paragraph (1) in their entirety, and by inserting the following, so that, as amended, Subparagraph (c), Parts 1 through 3 and Table III under Paragraph (1) shall read as follows:

- (c) Basis of Coupon Issuance Value of the Thrifty Food Plan. The Thrifty Food plan shows the maximum coupon allotment that can be authorized for a household of any given size, and is used to determine the actual amount of the coupons for which the household qualifies.
  - 1. Calculate 30% of a household's available income (after exclusions and deductions).
  - 2. Subtract that amount from the maximum coupon allotment for the appropriate household size to determine the value of the coupon allotment. The minimum allotment for one and two person households is \$14.00 even if thirty percent of those household's net income subtracted from the Thrifty Food Plan is less than \$14.00. For all other household's sizes, the allotment is based on the actual amount derived from the preceding calculations.
  - 3. If after using the appropriate formula the result ends in 1 through 99 cents, the amount shall be rounded down to the nearest lower whole dollar. If the computation results in an allotment of less than \$10, then no issuance shall be made for the initial month.

Table III

| No. of Persons in Household | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8      | 9      | 10     |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|
| Maximum Coupon              | \$176 | \$323 | \$463 | \$588 | \$698 | \$838 | \$926 | \$1058 | \$1190 | \$1322 |

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For each additional member add \$132

Rule 1240-01-04-.27 Standards of Need/Income, is amended by deleting Table IV-A and Table IV-B under Paragraph (1) Subparagraph (d) in their entirety, and by inserting a new Table IV-A and Table IV-B, so that, as amended, Subparagraph (d) Table IV-A and Table IV-B under Paragraph (1) shall read as follows:

(d)

Table IV-A Standard Deduction

| Household<br>Size     | 1     | 2     | 3     | 4     | 5     | 6+    |
|-----------------------|-------|-------|-------|-------|-------|-------|
| Standard<br>Deduction | \$144 | \$144 | \$144 | \$147 | \$172 | \$197 |

Table IV-B Food Stamp Deductions

| Maximum Dependent Care  | No Limit   |
|---|------------|
| Maximum Shelter Deduction for Non-Elderly/Disabled Households | \$446      |
| Maximum Shelter Deduction for Elderly/Disabled Households     | No Maximum |

Authority: T.C.A. §§ 4-5-201 et seq.; T.C.A. § 4-5-202; T.C.A. §§ 71-1-105 and 71-5-304; 7 U.S.C.A. § 2014 and 2017(a); 7 C.F.R. §§ 273.9 and 273.10; and PL 110-246, Title IV §§ 4102, 4103 and 4107, June 18, 2008.

#### Regulatory Flexibility Addendum

Pursuant to Public Chapter 464 of the 105<sup>th</sup> General Assembly, prior to initiating the rule making process as described in § 4-5-202(a)(3) and § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

The United States Department of Agriculture establishes standards of eligibility for participation by households in the Food Stamp Program pursuant to 7 U.S.C. § 2014. For purposes of Acts 2007, Chapter 464, the Regulatory Flexibility Act, the Department of Human Services certifies that these rulemaking hearing rules substantially codify existing federal law, such that, pursuant to Section 6 of the Regulatory Flexibility Act, the Regulatory Flexibility Act's provisions do not apply to these rules. In addition, these rulemaking hearing rules do not appear to affect small businesses as defined in the Act because these rules are related to the determination of eligibility and provision of benefits to individuals and households who file an application for them. These rules do not regulate or attempt to regulate businesses.